

THIS IS AN IMPORTANT COURT APPROVED NOTICE. PLEASE READ CAREFULLY.

If you worked as a non-exempt employee in California for Amware Pallet Services, LLC, at any time from May 15, 2018 through January 4, 2023, a class action lawsuit may affect your rights.

This is a court-authorized notice. It is not a solicitation from a lawyer.

BASIC INFORMATION ABOUT THIS LAWSUIT

1. Why did I get this notice?

You are being sent this Notice because records show that you currently work, or previously worked, for Amware Pallet Services, LLC (“Defendant”) in California at any time from May 15, 2018 through January 4, 2023. This Notice relates to a proposed settlement (“Settlement”) of class action litigation brought against Defendant in the case entitled *Esteban Campos Soto v. Amware Pallet Services, LLC, et al*, Case Number 20CECG00227, filed in the Fresno County Superior Court. If you are a Class Member, this Notice contains important information about your rights to an anticipated payment from the Settlement or to be excluded from the Settlement according to the procedures described in this Notice.

2. What is this lawsuit about?

Plaintiff Esteban Campos Soto alleges in this lawsuit that Defendant did not pay its non-exempt employees all minimum and overtime wages, compliant meal periods and rest breaks, wages due upon termination of employment, accurate itemized wage statements. Based on these allegations, Plaintiff further alleges that Defendant violated the Business and Professions Code §§ 17200, *et. seq.*, and California’s Private Attorneys General Act. The initial complaint in this action was filed in Fresno County Superior Court on January 21, 2020.

At all times, Defendant has denied—and continues to deny—the factual and legal allegations in the case and have maintained that it fully complied with all applicable California laws. Defendant denies any wrongdoing, asserts that its pay practices complied with the law at all times, and that it has defenses to each cause of action. Defendant further denies that it owes the monies claimed in the lawsuit. Defendant also denies that this action can or should proceed as a class and/or PAGA action. By entering into this settlement, Defendant does not concede that Plaintiff or the class members’ claims have any merits and the company has voluntarily agreed to the terms of a negotiated settlement in order to avoid the burden and expense of continued litigation.

3. What is a class action and who is involved?

In a class action lawsuit such as this, the employee called the “Class Representative” sues on behalf of other employees who may have similar claims. The employees together are a “Class” or “Class Members.” The employee who is the Class Representative is also called the Plaintiff. The company sued is called the Defendant.

4. What are the terms of the proposed Settlement?

The major terms of the settlement are as follows:

1. Defendant has agreed to pay \$1,100,000.00 to settle the claims made in this lawsuit based on applicable Qualified Workweeks. This amount is also known as the “Gross Class Settlement Amount.” The Gross Class Settlement Amount is subject to a pro rata increase based on workweeks as of March 8, 2021.
2. Upon final Court approval, Plaintiff and those Class Members who do not validly opt out, agree to release and of their claims in this lawsuit against Defendant.
3. Plaintiff and his attorneys seek the following deductions from the \$1,100,000.00 Gross Class Settlement Amount:
 - a. Up to thirty-five percent (35%) of the Gross Class Settlement Amount (approximately \$385,000.00) for Class Counsel’s attorneys’ fees.
 - b. Up to 25,000.00 for reimbursement of Class Counsel’s litigation costs.

- c. An incentive award of up to \$10,000.00 to Plaintiff for filing a Lawsuit, performing work in connection with the Lawsuit, and undertaking the risks of filing the Lawsuit.
- d. Up to \$14,750.00 to cover the costs of the Settlement Administrator.
- e. Payment of \$40,000.00 to the California Labor and Workforce Development Agency for release of Private Attorneys General Act claims.

If the Court approves each of the requested deductions from the Gross Class Settlement Amount, the Parties estimate there will be approximately \$635,250.00 remaining. The remaining funds will be referred to as the “Net Settlement Amount.” The Net Settlement Amount will be distributed to Class Members who do not request exclusion (the “Participating Class Members”) no later than ten (10) court days after receipt of the Gross Class Settlement Amount, and according to the following formula:

The Net Settlement Amount will be divided between all Participating Class Members in proportion to the number of Qualifying Workweeks for each Participating Class Member. To calculate the amount each Participating Class Member will receive, the Net Settlement Amount will be divided by the total number of Qualifying Workweeks worked by all Participating Class Members during the Class Period to determine the base dollar amount per Qualifying Workweek. The Settlement Administrator shall then calculate the initial allocation amounts for each Class Member based on the Qualifying Workweeks for each Class Member.

Your estimated Individual Settlement Payment is listed in Section 5 of this Notice. Each Individual Settlement Payment will represent wages and penalties allocated using the following formula: twenty-five percent (25%) allocated to wages and seventy-five percent (75%) allocated to penalties and interest.

Disputing Your Payment Amount

If you dispute your Individual Settlement Payment in Section 5 of this Notice, you must send a letter to the Settlement Administrator at the address below in Section 13 indicating what information you believe is incorrect and produce evidence to the Settlement Administrator of the number of Qualifying Workweeks you believe you worked during the Class Period. The Settlement Administrator will attempt to resolve any dispute based upon Defendant’s records and any information you provide. Defendant’s records will be presumed determinative, absent evidence to rebut Defendant’s records. The Settlement Administrator will evaluate the evidence submitted by the Class Member and make the final decision as to the validity of such evidence. Any such dispute must be mailed to the Settlement Administrator no later than March 20, 2023.

5. What is my approximate Individual Settlement Payment if I participate in the Settlement?

According to payroll records maintained by Defendant, the number of Qualifying Workweeks you worked in California for Defendant as a non-exempt employee during the Class Period is _____.

Based on information provided above, anticipated court-approved deductions, and preliminary calculations, it is estimated your share of the settlement will be \$ _____, less applicable taxes and withholdings.

YOUR RIGHTS AND OPTIONS

PARTICIPATE IN THE SETTLEMENT – NO ACTION REQUIRED

6. How do I participate in the Settlement?

Provided that the Court granted final approval of the Settlement, you do not need to do anything further to receive your Individual Settlement Payment, other than to ensure that the Settlement Administrator has an accurate mailing address for you. It is important that you contact and inform the Settlement Administrator listed in Section 13, below, of any changes to your mailing address for timely payment.

Settlement Payment checks returned as undeliverable and unclaimed and uncashed 180 days after issuance and delivered checks remaining uncashed for more than 180 days after issuance will be void. The funds from any voided checks will be paid to State of California’s State Controller Unclaimed Property Fund with an identification of the amount of unclaimed funds attributable to each Participating Class Member.

7. What rights am I releasing if I participate in the Settlement?

If the Court grants final approval of the Settlement Class Members and you do not opt out of the Settlement, you will be deemed to have released or waived the following claims below (“Released Claims”) against Defendant, including and its past, present and/or future officers, directors, shareholders, employees, agents, operators, principals, owners, heirs, representatives, accountants, auditors, consultants, insurers and reinsurers, successors and predecessors in interest, subsidiaries, affiliates, members, divisions, fiduciaries, trustees, partners, shareholders, investors, benefit plans, parents and attorneys (collectively, the “Released Parties”).

All causes of action alleged in Plaintiff’s complaint including (1) failure to pay minimum wages, (2) failure to pay overtime wages, (3) failure to provide meal periods, (4) failure to authorize or permit rest periods, (5) failure to furnish accurate itemized wage statements wage statement violations, (6) failure to pay all wages due upon separation of employment, (7) violation of California Business and Professions Code §§17200, et seq., and (8) claims asserted under the Private Attorney General Act, based on the preceding claims, including claims for failure to pay minimum wage, straight time wages, regular wages, and overtime wages, unpaid premium pay for violations of California’s meal period and rest break law, waiting time penalties, penalties for non-compliant wage statements and failure to keep accurate payroll records, and failure to pay wages upon separation and claims pursuant to Labor Code sections 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, and 1198, and claims under Business and Professions Code section 17200, et seq. (“Released Claims”).

Plaintiff and Participating Class Members will waive and release the Released Claims against the Released Parties. Plaintiff and Participating Class Members will release the Released Claims through the end of the Class Period and for the entire Class Period. As of the Effective Date of Settlement, each Class Member who has not opted out of the Settlement shall be deemed to have fully, finally, and forever released, relinquished, and discharged all Released Claims. This waiver and release of claims shall be binding on Plaintiff and all members of the Class who have not timely opted out of the Settlement, including each of their respective attorneys, agents, spouses, executors, representatives, guardians ad litem, heirs, successors, and assigns, and shall inure to the benefit of the Released Parties.

8. What rights am I releasing regardless of whether I participate in the Settlement?

In addition to those rights discussed in Section 7, if the Court grants final approval of the Settlement, you will be deemed to have released Defendant and the Released Parties from all PAGA Released Claims during the PAGA Period upon the date Defendant funds the Settlement. “PAGA Released Claims” are defined claims for failure to pay minimum wage, straight time wages, regular wages, and overtime wages, unpaid premium pay for violations of California’s meal period and rest break law, waiting time penalties, penalties for non-compliant wage statements and failure to keep accurate payroll records, failure to pay wages upon separation, and claims pursuant to Labor Code sections 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 558, 1174, 1175, 1194, 1194.2, 1197, 1197.1, and 1198.

The release of the PAGA Released Claims shall apply whether or not you participate in the Settlement. Under this release, the right of the LWDA to investigate the PAGA Released Claims is not released, but the PAGA Released Claims does include a release of claims for penalties by a California Class Member under the PAGA.

OBJECT TO THE SETTLEMENT

9. How do I object to the Settlement?

If you are a Class Member and would like to object to the Settlement, you must not request exclusion (*i.e.*, must not opt out). You may mail a written Notice of Objection to the Settlement Administrator (at the address in Section 13 below) no later than March 20, 2023. The Notice of Objection should include: (i) your full name, signature, last four digits of your social security number, and telephone number; and (ii) a written statement of all grounds for the objection. You may appear in person at the Final Fairness and Approval Hearing to present any oral objections even if you do not submit a timely Notice of Objection.

ASK TO BE EXCLUDED

10. How do I ask to be excluded from the Class?

You have the right to exclude yourself from the Settlement. If you exclude yourself from the Class –referred to as "opting out" of the Class – you won't get your pro rata individual settlement payment from the settlement. If you opt out, you will not be legally bound by the Court's disposition of this lawsuit. If you opt out, you may speak with legal counsel to discuss your ongoing legal rights, if any.

If you are a member of the Class described above and would like to exclude yourself from the Class ("opt out"), you, or your authorized representative, need to timely request exclusion from the Class. To request exclusion, you **must** mail a letter to the Settlement Administrator at the address below in Section 13, stating, "I request to be excluded from the settlement in the case *Esteban Campos Soto v. Amware Pallet Services, LLC*, Case Number 20CECG00227." The letter **must** include your full name, address, last four digits of your social security number, and signature. The letter **must** be postmarked on or before March 20, 2023. The date of the postmark on the mailing envelope shall be the exclusive means used to determine whether a Request for Exclusion has been timely submitted.

Any Class Member who requests to be excluded from the Class will not be entitled to any recovery under the settlement and will not be bound by the settlement or have any right to object, appeal, or comment thereon. Class Members who fail to submit a valid and timely request for exclusion on or before March 20, 2023 will be bound by all terms of the settlement and any final disposition entered in this Class Action if the Settlement is approved by the Court. Defendant has the option to revoke the entire Settlement if ten percent (10%) or more of Class Members request exclusion.

THE LAWYERS REPRESENTING YOU

11. How will the lawyers be paid?

As part of the Settlement with Defendant, Class Counsel has requested a maximum of thirty-five percent of the Gross Class Settlement Amount (approximately \$385,000.00) in attorneys' fees, plus costs not to exceed \$25,000.00, to be paid from the Gross Class Settlement Amount to compensate Class Counsel for their work on this matter. You will not have to pay Class Counsel's fees and costs from your Individual Settlement Payment. Class Counsel's fee award motion may be found here: <https://www.phoenixclassaction.com/soto-v-amware-pallett-services/>

THE SETTLEMENT, APPROVAL, AND PAYMENT PROCESS

12. Who is handling the Settlement Administration process?

Phoenix Settlement Administrators
P.O. Box 7208
Orange, CA 92863
Telephone: (800) 523-5773
Facsimile: (949) 209-2503

13. When is the Final Fairness and Approval Hearing and do I have to attend?

The Court has determined only that there is sufficient evidence to suggest that the proposed settlement might be fair, adequate, and reasonable. Any final determination of those issues will be made at the Final Fairness and Approval Hearing. The Final Fairness and Approval Hearing has been set for May 2, 2023, at 3:30 p.m. in Department 501 of the Fresno County Superior Court for the State of California, located at 1130 "O" Street, Fresno, California 93721. You do not need to attend the hearing to be a part of the Settlement. However, if you wish to object to the Settlement, you may appear at the hearing. Please note that the hearing may be continued without further notice to the Class. You may check the date of the new hearing by following the steps in Section 16 below.

14. When will I receive my share of the settlement proceeds?

The Court will hold a hearing on May 2, 2023, to decide whether to approve the settlement. If the Court approves the settlement, after that there may be appeals if anyone objects. It is always uncertain when these objections and appeals can be resolved, and resolving them can take time.

If the Court approves the settlement and if you do not opt out, your Individual Settlement Payment set forth in Section 5 above is expected to be distributed within ten (10) court days of the Settlement Administrator receiving the Gross Class Settlement Amount from Defendant.

GETTING MORE INFORMATION

15. Are more details available?

This Notice only summarizes the lawsuit, the Settlement, and related matters. For more information, you may contact the Court’s clerk to inspect the Court files at the Fresno County Superior Court, 1130 “O” Street, Fresno, California 93721, from 8:00 a.m. to 3:00 p.m. Mondays-Thursdays, and 8:00 a.m. to 12:00 p.m. on Fridays. You can view the case record online at the court’s website: http://www.fresno.courts.ca.gov/case_info/. Access the “Case Information,” then select “Smart Search.” Here, insert the Case Number (20CECG00227). Then click “Submit” to view the case record.

Any questions regarding this Class Notice or the Lawsuit may be directed to the Claims Administrator at the below address and telephone number. Alternatively, you may contact your own attorney, at your own expense, to advise you, or you may contact Class Counsel or Defense Counsel at the address or telephone number set forth below. If your address changes, or is different from the address on the envelope enclosing this Notice, please promptly notify the Settlement Administrator.

Settlement Administrator:

Phoenix Settlement Administrators
P.O. Box 7208
Orange, CA 92863
Telephone: (800) 523-5773
Facsimile: (949) 209-2503

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PLEASE DO NOT CALL OR WRITE TO THE JUDGE OR TO THE COURT CLERK FOR INFORMATION ABOUT THE SETTLEMENT.